



December 9, 2010

Community Preservation Act Committee Town of Amherst Amherst, MA 01002

Subj: Belchertown Road-Habitat Project

Request for Community Preservation Act Funding

Dear CPA Committee Members,

We at Pioneer Valley Habitat for Humanity deeply appreciate the partnerships that we have forged in Amherst to build homes with low wage earning families who profoundly desire and are willing to work hard to achieve homeownership. The Town of Amherst's CPA funding for our homes on Stanley Street helped to create four solidly built, highly energy efficient and sustainable homes that are a testament to the community's commitment to walk the walk. As we strive now to get the roof on and the windows in on the fourth home on Stanley Street, my build team is eagerly looking forward to starting on the new site on Belchertown Road.

Pioneer Valley Habitat is requesting \$40,000 in Community Preservation Act Funds for the construction of the home to be built on the Belchertown Road. The land was donated by Tofino Associates/ Doug Kohl a few years ago and we are planning to build one home on the site. We do not have the advantage of splitting the site preparation work out among four homes as we did on Stanley Street. The \$40,000 in CPAfunding will be used to run water/sewer lines to the home, complete the site work, install the foundation, and purchase construction materials. A new relationship with a photovoltaic installer may result in a donation of the photovoltaic system if the site is appropriate.

Pioneer Valley Habitat for Humanity's core mission is to serve very low income families, who contribute their sweat equity to achieve homeownership at a price they can afford. Working alongside community and student volunteers, the Habitat partner families contribute at least 250 hours each helping to build their own homes. Our cash cost for construction is approximately \$125,000. Habitat raises the funds to build the homes as we are building, then sell the homes to the family for the cost of construction and

provides a 0% mortgage. All mortgage payments are used by Habitat to help build more affordable homes. An allocation to Habitat is not a one time donation – it is a long term investment that is continuously reinvested in meeting the housing needs of very low income families.

Thank you for your consideration of our request and please do not hesitate to ask if you require additional information.

In Faith,

MJ Adams

**Executive Director** 

#### 1. Feasibility of the project;

Pioneer Valley Habitat for Humanity has over 20 years experience of tackling this type of project. The land has been donated. We have a steady (sometimes overwhelming) supply of ready, engaged and energenic volunteers who want to build. We have a steady stream of mortgage repayments (which we allocate out to the three active building venues we have right now – Amherst, Florence, and Montague City), solid relationships with grant funders (FHLB Boston, Community Foundation of Western Massachusetts, Xeric, Beveridge to name a few), and a dedicated group of regular donor/investors. But there is still a gap in the funding and we turn to Amherst CPA funding to help close that gap.

- 2. Urgency of the project: The urgency for this project is to extend the reality of homeownership to another low income family in Amherst. In our most recent family selection process for Stanley Street, eleven families applied; unfortunately we were only able to select one. The other urgency for this project is to sustain our building activity in Amherst after we finish up at Stanley Street in late spring 2011. Habitat's goal is to keep Amherst area volunteers engaged in building in Amherst, get a foundation into the ground early in the summer so that we can take the best advantage of the summer building season and have the house enclosed well before cold weather arrives.
- 3. Population(s) to be served by the project: The most profound and long term beneficiaries of this project are the families who move in and become homeowners in this new neighborhood. Equally important, the community of Amherst is served in honoring the Town of Amherst's commitment to social justice and economic diversity of the community and an opportunity for local residents and students to give of themselves to the community they call home. Recently a new partnership with the Hampshire County House of Corrections brings inmates to complete work release on the Habitat homes under construction on Stanley Street. We expect to continue this new partnership as we move onto the new site on Belchertown Road, offering meaningful work and skill building and the opportunity to give back during their rehabilitation.
- 4. Acquisition or preservation of threatened resources; n/a
- 5. Possibility of multiple sources of funding: Habitat relies on a variety of sources to fund the construction of Habitat homes. With the donation of land from Tofino Associates, the donation of pro bono architectural services from Chuck Roberts, the deeply discounted/donated construction materials from Cowls Building Supply and r.k.Miles, Federal Home Loan Bank grant funds, Community Foundation funds, and a multitude of individual and business

donors and some generous support for the local faith communities; Habitat relies on a variety of funding streams to make this homebuilding possible.

6. Complete description of project addressing cost documentation relating to projected timeline for initiation and completion of project and any expectations for additional funding in future years:

Budget attached.

Timeline for Belchertown Road Site

January 2011	Partner Family Outreach at the Amherst
	MLK Breakfast
February 2011	House Design
March 6, 2011	Habitat Info Session at Jones Library
Spring 2011	Update Wetlands filings
Late March	Application deadline
June/July 2011	Finalize house size, prepare
	site, pour foundation
July 2011	Wall Raising & Framing starts
November 2011	Building envelop complete
December 2011	Interior Finishing starts
May 2012	Home dedication
	Certificate of Occupancy achieved
June 2011	Closing and Family moves in
Summer 2011	Final landscaping & site work

- 7. **Funding available:** Pioneer Valley Habitat allocates funding from our Fund for Humanity (habitat home mortgage repayments) and is working steadily on our fundraising efforts directed at individuals, faith communities, businesses, grant sources and foundations.
- **8. Priorities:** Pioneer Valley Habitat will work with the Town of Amherst to ensure that the Habitat home on Belchertown Road is listed on the Subsidized Housing Inventory maintained by DHCD. Additionally, this home will have an affordable housing deed rider that will ensure long term affordability to low income families.

USES		SOURCES	
CATEGORY			
1 Design & Engineering	\$4,000	Owner Downpayment	\$700
2 Site Work*	\$13,800	Fund for Humanity (mortgage repayments)	\$24,000
Demolition			
3 Water	see site work		
4 Sewer	see site work		
5 Landscaping	\$1,904		
6 Foundation	\$3,483	TO BE RAISED	
7 Framing	\$12,987	AMHERST CPA	\$40,000
8 Windows and Doors	\$11,259	FEDERAL HOME LOAN BANK	\$30,000
9 Exterior Trim	\$2,434	OTHER GRANTS/DONATIONS	\$42,205
10 Siding	\$2,883		
11 Roofing	\$1,356	TOTAL CASH	\$136,905
12 Plumbing	\$12,566		
13 Heating	see plumbing		
14 Electrical	\$4,995		
15 Subcontractor	\$6,000		
16 Masonry			
17 Insulation	\$3,250		
18 Sheetrock	\$1,077		
19 Interior Painting	\$300		
20 Exterior Painting	\$700		
21 Porch/Decks	see traming		
22 Flooring	\$2,182		
23 Stairs	6800		
24 Cabinets/Counters	\$1,300		
25 Interior Doors	807,14		
20 III(e  0          27 Finish & Clean-IIn	\$2,002 \$850		
	O C C C C C C C C C C C C C C C C C C C		
29 Warrantev	\$1 275		
30 Bath/Closet Details	\$443		
31 Site Overhead	\$1,725		
32 Tree Removal	\$2,400		
33 Porta Potty	\$1,689		
34 Trash Removal	\$102		
35 Building Permit	\$1,157		
	\$100,739		
Division Detail (items 1-35)	\$100,739		
Contingency @2%	\$2,066		
Construction Subtotal	\$102,805		
Supervision	\$17,600		
FINAL CONTRUCTION TOTAL	\$120 405		
Land			
Legal	\$2,500		
Developers Fees	\$10,000		
Financing	\$2,000		
Other - Insurance	\$2,000		

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## DAILY HAMPSHIRE

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#### **EDITORIAL**

### DHG 12/9/ 2010

# Building for people

wo planned construction projects — one big, one small — seek to provide homes in Easthampton for people priced out of the Valley's housing market. Developers of both projects are pledging to listen to neighborhood concerns and get this important work done.

Even before wrapping up work on financing, the Valley Com-munity Development Corp. held meetings in November with people who live in the Parsons Street area to explain what the nonprofit seeks to do on a 4.3-acre parcel at 69 Parsons St. The Valley CDC hopes to win permission to erect a \$9 million to \$10 million property with 40 units that would be rented to low- and moderate-income people.

With the housing market still in flux at what we all hope is the tail end of recession, there is precious little development of this scale being undertaken in Valley.

The Parsons Street project would be the Valley CDC's largest housing project to date and add significantly to the ranks of affordable units it has been able to create.

So far, the Valley CDC has built roughly 160 housing units, most of them in Northampton and Amherst. It has already secured sup-port from the Easthampton City Council, which approved use of

\$200,000 in Community Preservation Act funds. The agency expects to return to the council for

additional help on this project.

The agency's name says a lot. This is economic development on the community level. Our service-sector economy relies on the labor of people who cannot afford to buy in at Valley housing prices. Projects that expand the supply of affordable housing create a sorely needed infrastructure

Who would be eligible? According to income guidelines, a single person making \$32,000 or less a year could apply to rent one of the new apartments.

Joanne Campbell, the agency's executive director, said she is committed to listening to neighborhood concerns. Some of what's already been said is influencing designs for the project, as community conversations continue.

Meantime, another durable name in affordable housing is about to dig in with its first Easthampton project.

After working in the Northampton and Amherst areas, Pioneer Valley Habitat for Humanity is zeroing in on a project to erect a two-home building on a small East Street site which was part of a land preservation effort in 2008 that added roughly 13 acres to the Mount Tom State Reservation. The homes will be sold to project participants who qualify by income and then



Kelly Bowler and her daughter, Dezalyna, 4, celebrate during a dedication ceremony this year for their new Ploneer Valley Habitat for Humanity home on Garfield Avenue in Florence

work in concert with volunteers, providing

"sweat equity" in their new homes.

Habitat will be pursuing a "friendly 40-B" application with the city's Zoning Board of Appeals that would allow it, under that state law, to work around zoning restrictions. This is the 40-year-old law voters had a chance to gut in a ballot question last month.

Groups like the Valley CDC and Habitat both argued forcefully that the law enables them to thread the needle on the difficult business of financing affordable housing developments of whatever size.

While 40-B projects set up conflicts between developers and officials in some communities, notably Sunderland, the Habitat venture in Easthampton is backed by the city's Housing Partnership Committee and the city planner. In Amherst, the Valley CDC is working with another agency, HAP, to shape plans for a 42-unit rental housing project on Olympia Drive that would be governed by 40-B rules.
For agencies like Pioneer Valley Habitat for

Humanity and the Valley CDC, nothing happens fast — or without a complicated web of financing. The CDC is aiming to file paperwork in March for both its Easthampton and Amherst projects.

Together, all these projects address an access problem the housing market itself will not fix.

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